



COUNTY OF LOS ANGELES

CHIEF INFORMATION OFFICE

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To: Supervisor Michael D. Antonovich, Mayor
Supervisor Zev Yaroslavsky, Chair Pro Tem
Supervisor Gloria Molina
Supervisor Yvonne B. Burke
Supervisor Don Knabe

From: Jon W. Fullinwider
Chief Information Officer

Subject: **ADVANCE NOTIFICATION OF INTENT TO ENTER INTO SOLE
SOURCE NEGOTIATIONS WITH IBM CORPORATION FOR A MASTER
SERVICES AGREEMENT**

This letter is to provide advance notification to your Board that my office intends to enter into sole source negotiations for a Master Services Agreement (MSA) with International Business Machines (IBM) Corporation. The proposed MSA with IBM will allow County Departments to contract for IBM technical support and consulting services. The MSA will provide access to advanced technical and consulting services for the use and management of IBM products. Following development of the master services agreement, the document will be submitted to your Board for approval.

BACKGROUND

Currently, IBM products (operating software to applications) serve an essential role in the effective operation of many of the County's computer systems. These products include databases, operational data stores, application servers, and middleware software. Although there are vendors that can and have provided professional services using these products, a growing number of departments including Health Services, Public Social Services, Sheriff's, Children and Family Services, and Internal Services have expressed interest in utilizing specialized technical services provided by IBM. These services are required to assist County Departments with managing systems that run on IBM operating systems and development platforms to ensure effective implementation and use of various IBM products and technologies. An MSA will provide a streamlined process for County departments to have access to such services that can only be obtained from IBM Consulting.

JUSTIFICATION

IBM is one of the predominant service providers in the industry. County Departments use the IBM technologies to support and maintain various mission critical applications. Departments often require technical services for planning, designing, implementing, managing and troubleshooting complex systems that involve unique expertise that is not available from sources other than IBM Consulting. The advanced technical nature of these services require knowledge of IBM's proprietary computer source code, internal software functions and advanced programming interfaces and/or tools. In such situations, only IBM, the manufacturer, is uniquely positioned to supply these specialized services and has direct access to the product developers. These services include web portal development enterprise architecture, data security, middleware architecture, and data warehousing.

Should you have any questions, please contact me at (213) 974-2008 or in my absence, Frank Cheng, Associate CIO, at (213) 893-0027.

JWF:FC:ygd

c: Executive Officer, Board of Supervisors
 County Counsel
 Chair, ISC